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## Financial Statement Fraud Detection and Possible link to Company Failure

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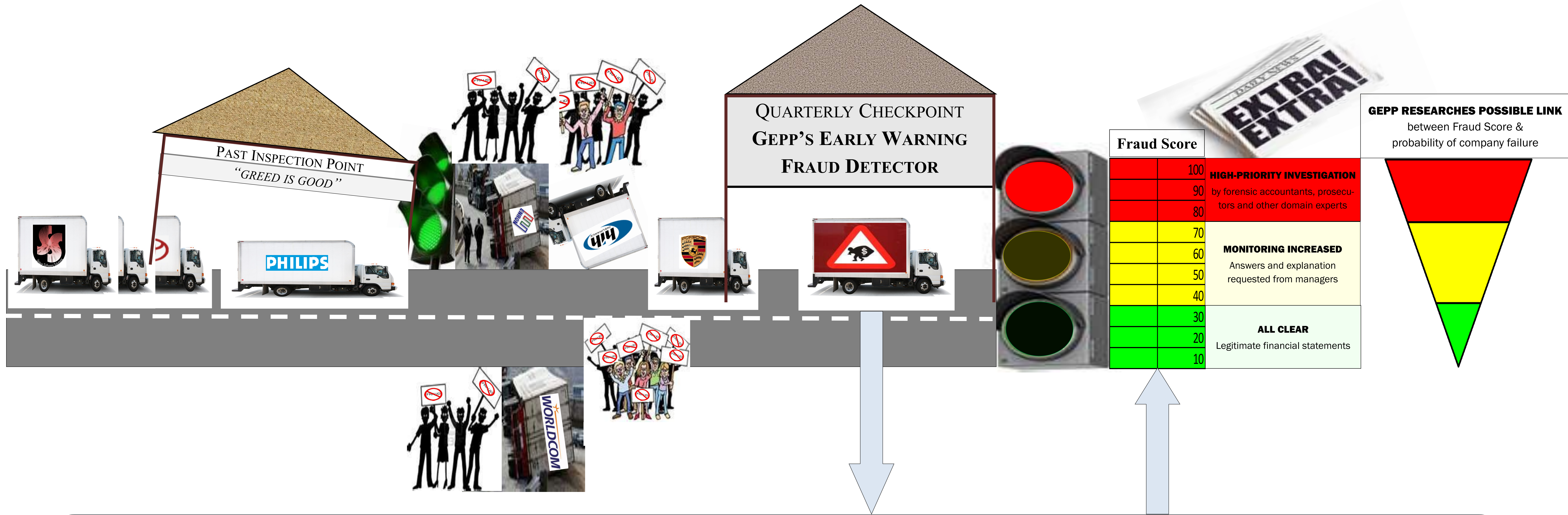
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# Financial Statement Fraud Detection and possible link to company failure

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## Fraud Score Calculator

**Inputs**  
Current Financial Statement and Filing  
Past Financial Statements and Filings  
Industry-Specific Variables  
Macroeconomic Variables

Pre-processing

**Accounting and Finance Ratios**  
Ratio\_1, Ratio\_2... Ratio\_n  
Log(Ratio\_4), Log(Ratio\_5)  
Ratio\_3\*Ratio\_5,  
Ratio\_2 \* Ratio\_(n-1)

**Apply Detection Techniques**  
Discriminant Analysis, Logistic  
Regression, Survival Analysis Techniques,  
Decision Tree Techniques, Artificial  
Neural Networks ...

1. Select Best Techniques
2. Apply Combiner Function
3. Calculate Fraud Score